



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

DEC - 3 2002

Mr. Kevin C. Weyer
President
Dow Pipeline Company
1000 County Road 340
Angleton, TX 77515

Re: CPF No. 4-2002-5012

Dear Mr. Weyer:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It withdraws the allegation of violation set forth in the Notice. The Order makes a finding of inadequate procedures and requires that you amend your integrity management program procedures. When the terms of the Order are completed, as determined by the Director, Southwest Region, OPS, this enforcement action will be closed. Your receipt of the Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)

Dow Pipeline Company,)

Respondent.)

CPF No. 4-2002-5012

FINAL ORDER

On February 19-20, 2002, pursuant to 49 U.S.C. § 60117, representatives of the Southwest Region, Office of Pipeline Safety (OPS), inspected Dow Pipeline Company's (Respondent's) integrity management program at Respondent's facility in Angleton, Texas. As a result of the inspection, the Southwestern Regional Director, OPS, issued to Respondent, by letter dated June 5, 2002, a Notice of Probable Violation, Proposed Civil Penalty and Notice of Amendment (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195.452(b) and proposed assessing a civil penalty of \$5,000 for the alleged violation. The Notice also alleged inadequacies in Respondent's integrity management program and proposed to require amendment of Respondent's procedures to comply with the requirements of 49 C.F.R. § 195.452(b).

Respondent responded to the Notice by letter dated June 25, 2002. Respondent contested the allegation of violation and requested a hearing. The hearing was held in the office of the Southwestern Region on October 3, 2002.

WITHDRAWAL OF ALLEGATION

The Notice alleged that Respondent had violated § 195.452, which required Respondent to have identified, by December 31, 2001, all pipeline segments in its system that could affect a high consequence area. The Notice alleged that although Respondent had identified segments that intersected the high consequence areas, it had not identified segments in its pipeline system that did not intersect high consequence areas but could affect the high consequence areas.

Respondent contended that in identifying the segments by the December 31 deadline it had, based on its experience and knowledge, generated a buffer zone to identify the segments that could affect the high consequence areas. Respondent submitted maps showing the segments it had identified by this process. Respondent explained that at OPS's suggestion, Respondent re-evaluated the segments using a dispersion model, and that the segments identified were the same as the process Respondent had previously used. Respondent maintained that its process of segment identification had complied with the December 31 deadline.

Although the Notice alleged that Respondent had not used a buffer zone to identify segments that did not intersect high consequence areas but which could be affected by a release of liquid methane from the line, OPS did not have documents supporting its allegation. Accordingly, the allegation of violation is withdrawn.

AMENDMENT OF PROCEDURES

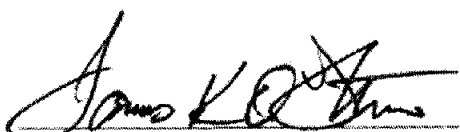
The Notice also alleged that Respondent's integrity management program procedures were inadequate because Respondent did document the process it used to identify the segments and did not include a quality assurance process. Respondent did not dispute these allegations and explained that it was revising its procedures to add these processes. Respondent did not provide the amended procedures at the hearing.

Accordingly, I find that Respondent's integrity management program procedures are inadequate to ensure safe operation of its pipeline system. Pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237, Respondent is ordered to make the following changes to its integrity management program procedures. Respondent must -

1. Document and describe the process used to identify segments that could affect high consequence areas.
2. Include a quality assurance process and effectiveness evaluation in the segment identification process to ensure that all segments that could affect high consequence areas are identified.
3. Submit the amended procedures to the Regional Director, Southwest Region, OPS within 30 days following receipt of this Order.
4. The Regional Director may extend the period for complying with the required items if the Respondent requests an extension and adequately justifies the reasons for the extension.

The terms and conditions of this Order are effective upon receipt.

Failure to comply with this Order may result in the assessment of civil penalties of up to \$25,000 per violation per day, or in the referral of the case for judicial enforcement.



4m Stacey Gerard
Associate Administrator
for Pipeline Safety

DEC - 3 2002

Date Issued